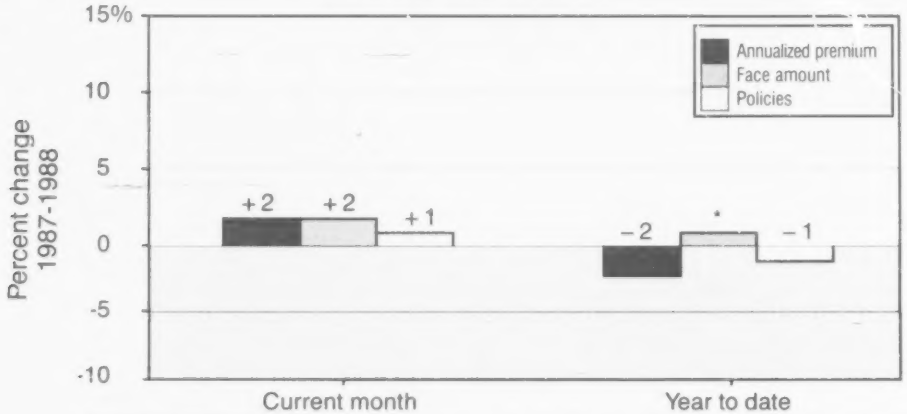
7/26/88 A6225-1

I/R Code 47.40
***May 1988***

MONTHLY SURVEY OF
# LIFE INSURANCE SALES IN THE UNITED STATES

## Individual Sales

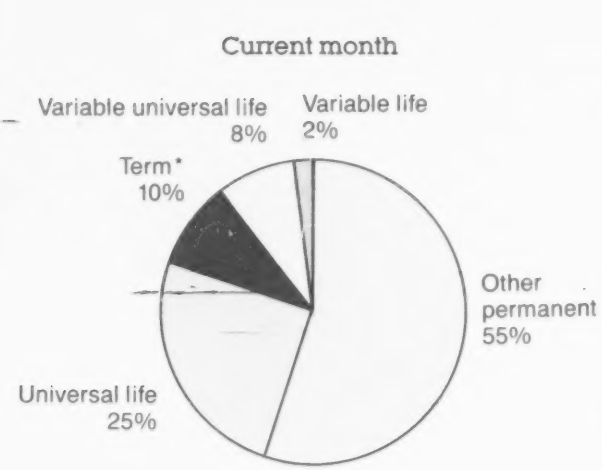
### 126 Companies

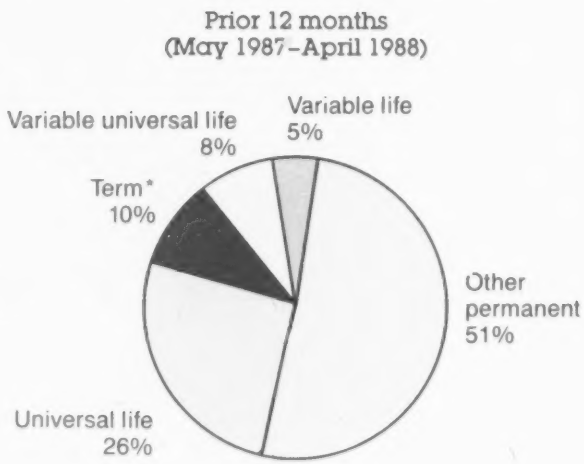



Annualized premium includes 10 percent of single premiums. Some companies report only premium (without corresponding face amount) for single premium paid-up addition riders.

* Less than ½ of 1 percent

### Annualized Premium Market Share by Product




*Estimated based on 83 companies.

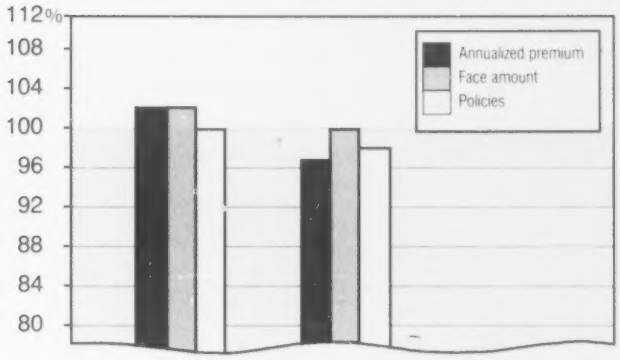
LIMRA INTERNATIONAL

***Profit from our research.***

# Individual Sales (cont.)

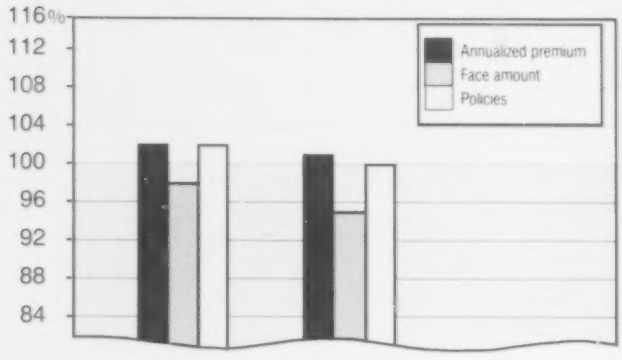
## 115 Ordinary Companies and Departments

Ratio 1988/1987




## 19 Home Service Companies and Departments

Ratio 1988/1987




## Policy Characteristics – All Companies

Year to Date

| | Premium per $1,000 | Average size policy | Premium per policy |
|---|---|---|---|
| Total home service companies and depts. | $15.29 | $13,445 | $206 |
| Total ordinary companies and depts. | $ 9.95 | $85,017 | $846 |
| Total sales | $10.27 | $64,375 | $661 |

## Policy Characteristics by Product

Year to Date

| | Premium per $1,000 | Average size policy | Premium per policy |
|---|---|---|---|
| Term (83 cos.) | $ 2.54 | $146,081 | $ 370 |
| Universal life (109 cos.) | $10.84 | $ 88,011 | $ 954 |
| Variable life (17 cos.) | $20.32 | $ 65,699 | $1,335 |
| Variable universal life (27 cos.) | $13.22 | $111,729 | $1,478 |
| Other permanent* (82 cos.) | $18.73 | $ 33,432 | $ 626 |

*Includes current-assumption whole life

# Individual Sales (cont.)

## Sales Comparisons with Last Year

Year to Date Ratio 1988/1987

| | Annualized premium | Face amount | Number of policies |
|---|---|---|---|
| Term (83 cos.) | 103% | 106% | 98% |
| Universal life (109 cos.) | 91% | 90% | 88% |
| Variable life (17 cos.) | 36% | 46% | 49% |
| Variable universal life (27 cos) | 97% | 96% | 83% |
| Other permanent* (82 cos.) | 112% | 113% | 109% |

*Includes current-assumption whole life

## Single Premium vs. Periodic Premium

(in thousands)

| | Single premium (full value) | | | Annualized premium (excluding single) | | |
|---|---|---|---|---|---|---|
| | 1987 | 1988 | Ratio 88/87 | 1987 | 1988 | Ratio 88/87 |
| Month | $ 556,299 | $ 280,872 | 50% | $ 450,413 | $ 489,972 | 109% |
| Year to date | $2,977,285 | $1,632,660 | 55% | $2,221,310 | $2,293,774 | 103% |

## Universal Life

### Interest Rates This Month

| | |
|---|---|
| Median | 8.5% |
| Range | 6.0%–10.2% |
| Range of middle 50% | 8.2%–9.0% |
| Number of cos. reporting rates | 101 |
| Number of plans reported | 296 |

## Contributors' Growth Rates

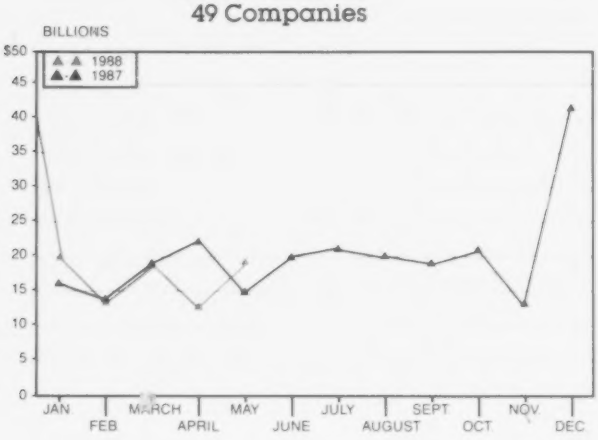
### Change in Annualized Premium

Year to Date

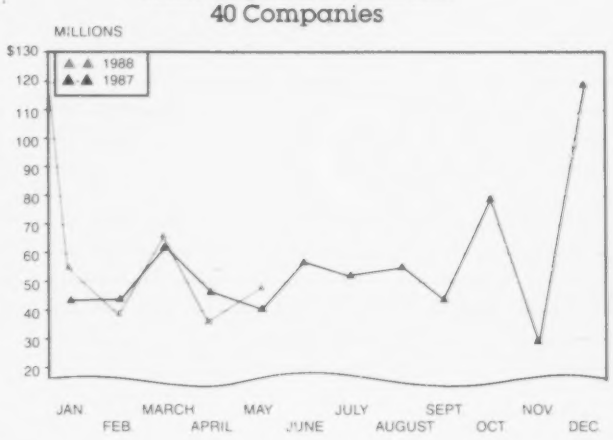
| Percent change 1987-1988 | Number of . . . Ordinary cos./depts. | Home Service cos./depts. |
|---|---|---|
| 21% or over | 17 | 3 |
| 11% – 20% | 15 | 1 |
| 1% – 10% | 14 | 6 |
| –9% – 0 | 27 | 4 |
| –19% – –10% | 19 | 2 |
| –20% or under | 23 | 3 |

# Group Sales

## Face Amount
49 Companies




## Annualized Premium
40 Companies




# May Sales

| | | Annualized premium† (000) | | Face amount (000) | | Number of policies | |
|---|---|---|---|---|---|---|---|
| | | 1987 | 1988 | 1987 | 1988 | 1987 | 1988 |
| **Total ordinary** | Month | $ 506,043 | $ 518,059 | $ 49,411,938 | $ 50,441,137 | 755,987 | 761,090 |
| | Year to date | $2,519,039 | $2,457,040 | $239,055,413 | $239,218,452 | 3,767,965 | 3,716,012 |
| **Ordinary cos. and depts.** | Month | $ 460,817 | $ 471,976 | $ 46,307,375 | $ 47,383,428 | 538,864 | 539,261 |
| | Year to date | $2,299,986 | $2,236,778 | $223,938,597 | $224,808,657 | 2,699,899 | 2,644,291 |
| **Home service cos. and depts.** | Month | $ 45,226 | $ 46,083 | $ 3,104,563 | $ 3,057,709 | 217,123 | 221,829 |
| | Year to date | $ 219,053 | $ 220,262 | $ 15,116,816 | $ 14,409,795 | 1,068,066 | 1,071,721 |
| **Group** | Month | $ 39,936 | $ 48,815 | $ 14,678,867 | $ 19,577,300 | — | — |
| | Year to date | $ 230,266 | $ 246,651 | $ 83,975,837 | $ 82,477,587 | — | — |

†Includes 10 percent of single premiums

# About the Survey

This survey gives ordinary sales results of a group of companies that report three measures of sales performance—face amount (volume), annualized premiums, and number of policies. From these data, premium per $1,000, average size policy, and premium per policy, as well as trends in those statistics, are derived. Sales results by product are also shown for a subset of the contributing companies.

The definition of new sales excludes revivals, indexed increases, dividend additions, reinsurance acquired, credit insurance (coverage of obligations not exceeding 120 months' duration), and products without insurance (such as annuities). The data include mass-marketed ordinary business.

The ordinary results are based on the experience of 126 companies—and their 53 subsidiary companies—operating in the United States. These contributors represent 59 percent of the 1986 United States ordinary volume sold. Since no industry data are available on total annualized new ordinary premiums, the proportion of total premiums represented by these contributors cannot be determined. The business of these contributors may not represent the industry proportions of participating and nonparticipating policies and of term and permanent insurance sold; therefore, statistics (such as premium per $1,000) derived from the experience of the contributors may not represent the experience of the industry as a whole.

The survey also provides group sales volume and annualized premiums under new or amended contracts. These results are based on the experience of 49 companies plus 5 subsidiaries operating in the United States. These contributors represent 66 percent of the 1986 United States volume of new or amended group contracts.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Susan M. Rosenberger
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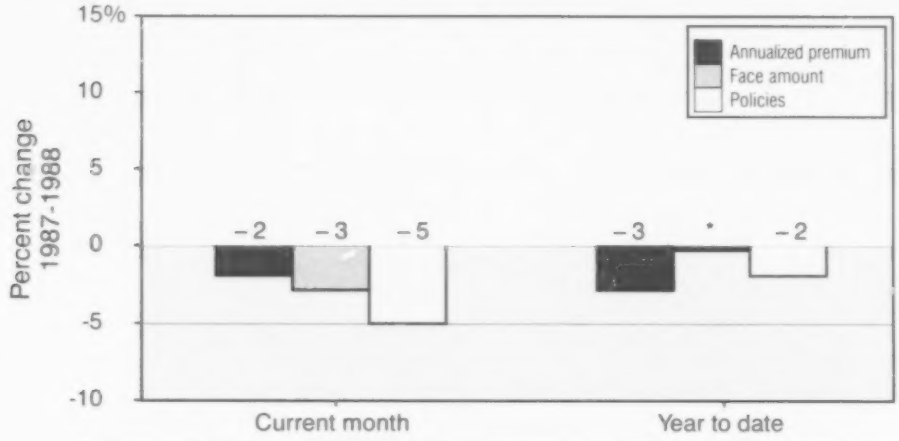
***June 1988***

# MONTHLY SURVEY OF LIFE INSURANCE SALES IN THE UNITED STATES

## Individual Sales

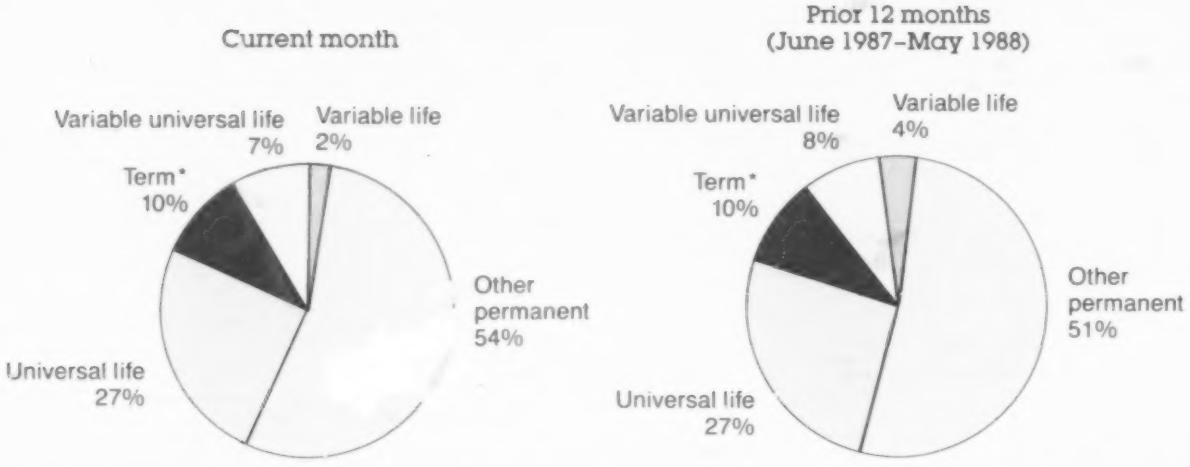
### 126 Companies




Annualized premium includes 10 percent of single premiums. Some companies report only premium (without corresponding face amount) for single premium paid-up addition riders.

* Less than ½ of -1 percent

### Annualized Premium Market Share by Product




*Estimated based on 83 companies.

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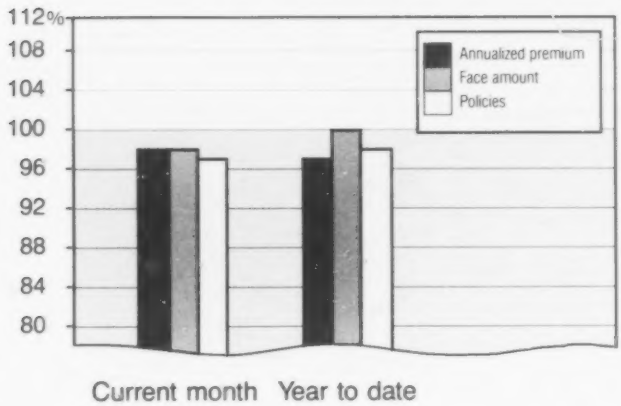
# Individual Sales (cont.)

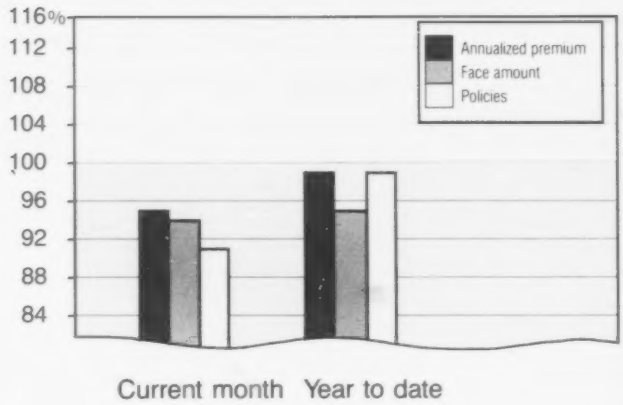
## 115 Ordinary Companies and Departments

Ratio 1988/1987




## 19 Home Service Companies and Departments

Ratio 1988/1987




## Policy Characteristics – All Companies

Year to Date

| | Premium per $1,000 | Average size policy | Premium per policy |
|---|---|---|---|
| Total home service companies and depts. | $15.21 | $13,584 | $207 |
| Total ordinary companies and depts. | $ 9.87 | $85,047 | $839 |
| Total sales | $10.19 | $64,530 | $658 |

## Policy Characteristics by Product

Year to Date

| | Premium per $1,000 | Average size policy | Premium per policy |
|---|---|---|---|
| Term (83 cos.) | $ 2.56 | $146,031 | $ 374 |
| Universal life (109 cos.) | $10.80 | $ 88,360 | $ 955 |
| Variable life (17 cos.) | $20.67 | $ 65,693 | $1,358 |
| Variable universal life (27 cos.) | $13.28 | $111,451 | $1,481 |
| Other permanent* (82 cos.) | $18.52 | $ 33,444 | $ 619 |

*Includes current-assumption whole life

# Individual Sales (cont.)

## Sales Comparisons with Last Year

Year to Date Ratio 1988/1987

| | Annualized premium | Face amount | Number of policies |
|---|---|---|---|
| Term (83 cos.) | 103% | 104% | 97% |
| Universal life (109 cos.) | 92% | 91% | 90% |
| Variable life (17 cos.) | 37% | 45% | 48% |
| Variable universal life (27 cos) | 96% | 95% | 81% |
| Other permanent* (82 cos.) | 110% | 112% | 109% |

*Includes current-assumption whole life

## Single Premium vs. Periodic Premium

(in thousands)

| | Single premium (full value) | | | Annualized premium (excluding single) | | |
|---|---|---|---|---|---|---|
| | 1987 | 1988 | Ratio 88/87 | 1987 | 1988 | Ratio 88/87 |
| Month | $ 576,717 | $ 361,195 | 63% | $ 485,715 | $ 494,182 | 102% |
| Year to date | $3,554,331 | $2,010,292 | 57% | $2,707,287 | $2,762,414 | 102% |

## Universal Life

### Interest Rates This Month

| | |
|---|---|
| Median | 8.6% |
| Range | 6.2%–10.2% |
| Range of middle 50% | 8.2%–9.0% |
| Number of cos. reporting rates | 101 |
| Number of plans reported | 296 |

## Contributors' Growth Rates

### Change in Annualized Premium

Year to Date

| Percent change 1987-1988 | Number of . . . Ordinary cos./depts. | Home Service cos./depts. |
|---|---|---|
| 21% or over | 17 | 1 |
| 11% – 20% | 13 | 3 |
| 1% – 10% | 19 | 7 |
| –9% – 0 | 27 | 3 |
| –19% – –10% | 18 | 2 |
| –20% or under | 21 | 3 |

I/R Code 47.40
***June 1988***

SUPPLEMENT TO MONTHLY SURVEY OF

# LIFE INSURANCE SALES IN THE UNITED STATES

## Note On the June Survey

- The June survey and supplement incorporate revisions to exclude $123.6 million of corporate-owned life insurance premiums reported in 1987 and $42.8 million reported to date in 1988. These data have been excluded to avoid distorting the growth rates shown in the survey.

## U.S. Ordinary Sales

### Revised through June 1988

### Single premium (000)

| | 1987 | 1988 | Ratio 88/87 |
|---|---|---|---|
| January | $ 563,161 | $ 320,800 | 57% |
| February | 594,427 | 327,252 | 55 |
| March | 637,450 | 404,706 | 63 |
| April | 625,947 | 308,339 | 49 |
| May | 556,629 | 288,000 | 52 |
| June | 576,717 | 361,195 | 63 |
| July | 518,703 | | |
| August | 519,256 | | |
| September | 475,588 | | |
| October | 467,199 | | |
| November | 383,690 | | |
| December | 465,140 | | |
| Year total | $6,383,907 | | |
| Year to date | $3,554,331 | $2,010,292 | 57% |

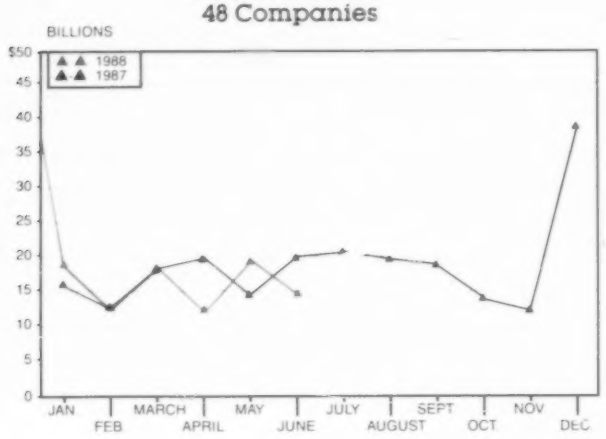
### 126 Companies

| | Annualized premium (000) | | | Face amount (000) | | | Number of policies | | |
|---|---|---|---|---|---|---|---|---|---|
| | 1987 | 1988 | Ratio 88/87 | 1987 | 1988 | Ratio 88/87 | 1987 | 1988 | Ratio 88/87 |
| January | $ 463,034 | $ 392,794 | 85% | $41,627,365 | $ 37,678,339 | 91% | 624,174 | 570,212 | 91% |
| February | 474,560 | 468,467 | 99 | 44,651,765 | 46,367,241 | 104 | 736,398 | 747,271 | 101 |
| March | 535,961 | 547,736 | 102 | 51,340,047 | 54,179,026 | 106 | 838,023 | 873,608 | 104 |
| April | 539,702 | 512,884 | 95 | 52,024,298 | 50,397,709 | 97 | 813,383 | 767,214 | 94 |
| May | 506,076 | 511,260 | 101 | 49,413,418 | 50,439,687 | 102 | 755,997 | 760,593 | 101 |
| June | 543,387 | 530,302 | 98 | 53,151,012 | 51,732,302 | 97 | 824,894 | 787,465 | 95 |
| July | 520,214 | | | 50,803,614 | | | 754,976 | | |
| August | 496,564 | | | 47,678,857 | | | 734,543 | | |
| September | 507,096 | | | 49,402,676 | | | 777,175 | | |
| October | 549,107 | | | 53,591,344 | | | 815,465 | | |
| November | 516,453 | | | 50,364,855 | | | 781,083 | | |
| December | 690,735 | | | 63,133,907 | | | 877,869 | | |
| Year total | $6,342,889 | | | $607,183,158 | | | 9,333,980 | | |
| Year to date | $3,062,720 | $2,963,443 | 97% | $292,207,905 | $290,794,304 | 100% | 4,592,869 | 4,506,363 | 98% |

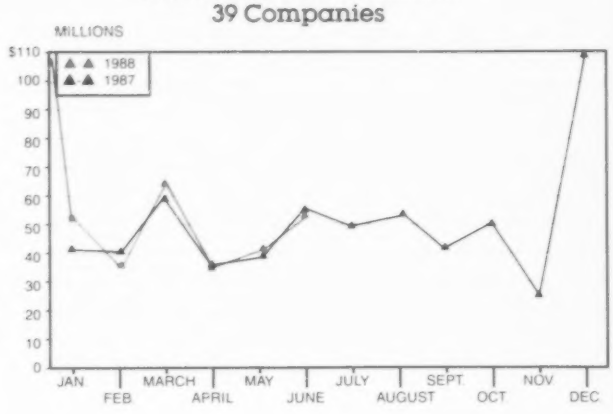
(over)

# Group Sales

### Face Amount
48 Companies




### Annualized Premium
39 Companies




# June Sales*

| | | Annualized premium† (000) | | Face amount (000) | | Number of policies | |
|---|---|---|---|---|---|---|---|
| | | 1987 | 1988 | 1987 | 1988 | 1987 | 1988 |
| **Total ordinary** | Month | $ 543,387 | $ 530,302 | $ 53,151,012 | $ 51,732,302 | 824,894 | 787,465 |
| | Year to date | $3,062,720 | $2,963,443 | $292,207,905 | $290,794,304 | 4,592,869 | 4,506,363 |
| **Ordinary cos. and depts.** | Month | $ 493,406 | $ 483,036 | $ 49,755,190 | $ 48,553,045 | 581,434 | 564,793 |
| | Year to date | $2,793,686 | $2,696,081 | $273,695,267 | $273,219,142 | 3,281,343 | 3,212,570 |
| **Home service cos. and depts.** | Month | $ 49,981 | $ 47,266 | $ 3,395,822 | $ 3,179,257 | 243,460 | 222,672 |
| | Year to date | $ 269,034 | $ 267,362 | $ 18,512,638 | $ 17,575,162 | 1,311,526 | 1,293,793 |
| **Group** | Month | $ 54,990 | $ 54,317 | $ 19,533,478 | $ 14,003,242 | – | – |
| | Year to date | $ 267,272 | $ 284,448 | $ 99,101,763 | $ 92,432,032 | – | – |

†Includes 10 percent of single premiums

*Excludes $5.7 million of corporate-owned life insurance premiums reported in the first six months of 1987 and $42.8 million reported in the first six months of 1988.

# About the Survey

This survey gives ordinary sales results of a group of companies that report three measures of sales performance – face amount (volume), annualized premiums, and number of policies. From these data, premium per $1,000, average size policy, and premium per policy, as well as trends in those statistics, are derived. Sales results by product are also shown for a subset of the contributing companies.

The definition of new sales excludes revivals, indexed increases, dividend additions, reinsurance acquired, credit insurance (coverage of obligations not exceeding 120 months' duration), and products without insurance (such as annuities). The data include mass-marketed ordinary business.

The ordinary results are based on the experience of 126 companies – and their 53 subsidiary companies – operating in the United States. These contributors represent 59 percent of the 1986 United States ordinary volume sold. Since no industry data are available on total annualized new ordinary premiums, the proportion of total premiums represented by these contributors cannot be determined. The business of these contributors may not represent the industry proportions of participating and nonparticipating policies and of term and permanent insurance sold; therefore, statistics (such as premium per $1,000) derived from the experience of the contributors may not represent the experience of the industry as a whole.

The survey also provides group sales volume and annualized premiums under new or amended contracts. These results are based on the experience of 48 companies plus 4 subsidiaries operating in the United States. These contributors represent 62 percent of the 1986 United States volume of new or amended group contracts.

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Anita Potter (Group)
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P.O. Box 208, Hartford, Connecticut 06141

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## 115 Ordinary Companies and Departments

| | Annualized premium (000) | | | Face amount (000) | | | Number of policies | | |
|---|---|---|---|---|---|---|---|---|---|
| | 1987 | 1988 | Ratio 88/87 | 1987 | 1988 | Ratio 88/87 | 1987 | 1988 | Ratio 88/87 |
| January | $ 427,570 | $ 359,053 | 84% | $39,198,763 | $ 35,518,282 | 91% | 451,066 | 402,359 | 89% |
| February | 433,304 | 423,719 | 98 | 41,818,932 | 43,513,216 | 104 | 531,176 | 526,425 | 99 |
| March | 485,600 | 496,194 | 102 | 47,839,457 | 50,775,427 | 106 | 590,782 | 624,187 | 106 |
| April | 492,956 | 468,736 | 95 | 48,774,070 | 47,463,304 | 97 | 588,011 | 555,442 | 94 |
| May | 460,850 | 465,343 | 101 | 46,308,855 | 47,395,868 | 102 | 538,874 | 539,364 | 100 |
| June | 493,406 | 483,036 | 98 | 49,755,190 | 48,553,045 | 98 | 581,434 | 564,793 | 97 |
| July | 479,625 | | | 47,973,786 | | | 556,722 | | |
| August | 453,807 | | | 44,752,601 | | | 521,062 | | |
| September | 460,886 | | | 46,165,854 | | | 551,761 | | |
| October | 505,277 | | | 50,451,277 | | | 603,026 | | |
| November | 473,863 | | | 47,441,433 | | | 568,872 | | |
| December | 644,962 | | | 60,035,243 | | | 649,373 | | |
| Year total | $5,812,106 | | | $570,515,461 | | | 6,732,159 | | |
| Year to date | $2,793,686 | $2,696,081 | 97% | $273,695,267 | $273,219,142 | 100% | 3,281,343 | 3,212,570 | 98% |

## 19 Home Service Companies and Departments

| | Annualized premium (000) | | | Face amount (000) | | | Number of policies | | |
|---|---|---|---|---|---|---|---|---|---|
| | 1987 | 1988 | Ratio 88/87 | 1987 | 1988 | Ratio 88/87 | 1987 | 1988 | Ratio 88/87 |
| January | $ 35,464 | $ 33,741 | 95% | $ 2,428,602 | $ 2,160,057 | 89% | 173,108 | 167,853 | 97% |
| February | 41,256 | 44,748 | 108 | 2,832,833 | 2,854,025 | 101 | 205,222 | 220,846 | 108 |
| March | 50,361 | 51,542 | 102 | 3,500,590 | 3,403,599 | 97 | 247,241 | 249,421 | 101 |
| April | 46,746 | 44,148 | 94 | 3,250,228 | 2,934,405 | 90 | 225,372 | 211,772 | 94 |
| May | 45,226 | 45,917 | 102 | 3,104,563 | 3,043,819 | 98 | 217,123 | 221,229 | 102 |
| June | 49,981 | 47,266 | 95 | 3,395,822 | 3,179,257 | 94 | 243,460 | 222,672 | 91 |
| July | 40,589 | | | 2,829,828 | | | 198,254 | | |
| August | 42,757 | | | 2,926,256 | | | 213,481 | | |
| September | 46,210 | | | 3,236,822 | | | 225,414 | | |
| October | 43,830 | | | 3,140,067 | | | 212,439 | | |
| November | 42,590 | | | 2,923,422 | | | 212,211 | | |
| December | 45,773 | | | 3,098,664 | | | 228,496 | | |
| Year total | $530,783 | | | $36,667,697 | | | 2,601,821 | | |
| Year to date | $269,034 | $267,362 | 99% | $18,512,638 | $17,575,162 | 95% | 1,311,526 | 1,293,793 | 99% |

## Group Sales*

| | Annualized premium (000) 39 Companies | | | Face amount (000) 48 Companies | | |
|---|---|---|---|---|---|---|
| | 1987 | 1988 | Ratio 88/87 | 1987 | 1988 | Ratio 88/87 |
| January | $ 40,621 | $ 51,792 | 128% | $ 15,168,529 | $ 18,166,711 | 120% |
| February | 40,097 | 36,239 | 90 | 13,046,758 | 12,372,626 | 95 |
| March | 58,091 | 64,176 | 110 | 17,678,061 | 17,692,385 | 100 |
| April | 35,516 | 35,139 | 99 | 19,481,287 | 12,097,808 | 62 |
| May | 37,957 | 42,785 | 113 | 14,193,650 | 18,099,260 | 128 |
| June | 54,990 | 54,317 | 99 | 19,533,478 | 14,003,242 | 72 |
| July | 48,835 | | | 20,413,153 | | |
| August | 52,682 | | | 19,277,111 | | |
| September | 41,321 | | | 18,029,828 | | |
| October | 49,058 | | | 13,829,526 | | |
| November | 24,388 | | | 12,219,769 | | |
| December | 107,974 | | | 38,701,195 | | |
| Year total | $591,530 | | | $221,572,345 | | |
| Year to date | $267,272 | $284,448 | 106% | $ 99,101,763 | $ 92,432,032 | 93% |

*One company is no longer able to provide group sales data. All prior data have been revised to exclude this company.